

# CHARLTONS

SOLICITORS



## Myanmar Highlights

16 September 2013

• *New Light of Myanmar* report: after last week's announcement of three "open border crossing points" between Myanmar and Thailand (Kawthoung/Ranong, Myawaddy/Mae Sot, Tachilek/Mae Sai), delegates from the Greater Mekong Sub-region countries (Cambodia, China, Laos, Myanmar, Thailand and Vietnam) met with ADB representatives on transport, customs, immigration and pest control, and further issues for a smooth flow of goods across borders. The GMS Master Plan was envisioned in the 1990s and is now underway in contiguous ASEAN countries to advance regional trade. In related news, ADB and Japan will assist with construction of an upgraded road from Kayin State to Yangon in order to facilitate cross-border trade.

• President Thein Sein hosted a Myanmar/Japan parliamentary delegation for discussion of 3D health projects (HIV/malaria/TB), Japan's assistance for the 27<sup>th</sup> SEA-Games in December, 2013, and ongoing matters related to the Thilawa Special Economic Zone.

• The 2<sup>nd</sup> Annual Myanmar Global Investment Forum has been held in Naypyitaw this week attended by 850 delegates from 35 countries, co-sponsored by the Myanmar Investment Commission. President Thein Sein welcomed the Forum as a "golden opportunity for Myanmar at a time when sweeping reforms are taking place in the country."

• Leading Committees for SEA-Games met to discuss progress on multi-million dollar construction projects for the various stadiums, gymnasiums, sports centers and facilities which will be an ongoing legacy for Olympic-level sports in Myanmar. Items under review are overall security measures, systematic sports management, presentation of entertainment programs, and media coverage. Other areas of interest are the legal framework to ensure consistency with Olympic events,

as well as health and sanitation management throughout the SEA-Games sports complexes. Approximately 5 million athletes, observers, judges and fans will attend the

• Games, which are being hosted in Myanmar for the first time since 1961, and have generated excitement and economic activity throughout the country. Several new sports-related institutions have been established by the Ministry of Education at the University of Mandalay and Yangon University, focused on academic training and leadership skills, while conditioning and team training is conducted at the Sports & Physical Education Center of Kyaikkasan Sports Grounds, formerly the largest horse-racing track in Asia. Corporate sponsorship and participation are an important part of the Myanmar sports establishment, including name brand apparel, equipment and national/international competitions.

• Daily Myanmar language newspapers *Myanmar Alinn*, *Kyemon* and the *New Light of Myanmar* have been approved by the Ministry of Information for access through personal computers, tablets and mobile phones via the internet; other publications are expected to follow suit as technology improves, providing more readership, distribution and marketing channels.

• *Myanmar Alinn* reports the 7 September 2013 maiden trip of the special express trains manufactured in Japan for the Yangon-Kyaiktiyo pilgrimage routes. The new coaches will have air-conditioning, comfortable seating and special services, as a "first" for re-establishing Myanmar's railway services on short and long-haul routes. Rail re-calibration is an important part of the services. The Japan International Cooperation Agency (JICA) also announced that it will be holding a series of seminars on ODA loan disbursement procedures to ensure efficient aid development. *Kyodo News* reports that Japan first

began assistance to Myanmar in 1954, building one of the first alternative energy projects at the Baluchaung Hydropower Plant in Kayah State.

- With Parliament scheduled to reconvene on 1 October 2013, and an unprecedented number of parliamentary reforms are underway, Vice President Thura U Shwe Mann and Rule of Law Committee Chair Daw Aung San Suu Kyi convened the first committee meeting to include the Attorney General, members of the Judiciary, officials of the Bar Association (Yangon) and senior people from the legal field. It was commented that the Rule of Law bill will be a key step in Myanmar's transition to democracy and stability.
- The Kyaukphyu Special Economic Zone (Rakhine State) is inviting expressions of interest for consulting firms (national or international) to develop a comprehensive strategy for its deep water port and potential as a major logistics hub; see [www.kpsez.org](http://www.kpsez.org) for further information. Submission deadline is 25 September, 2013.
- Yangon City Development Committee has issued two invitations for tenders from Myanmar or Foreign Companies (including joint ventures) for commercial purposes such as hotels, convention centers, exhibition halls, shopping malls, offices, apartments or condominiums. A 36-acre parcel is located in Mayangon Township; an 8-acre parcel is located in Mingala Taung Nyunt Township; opening date is 19 September, 2013 and closing date is 2 December, 2013. For further information, contact YCDC Engineering Department (Buildings).
- As a run-up to SEA-Games, Air Asia has announced a new route direct from Bangkok (Don Muang) to Nay Pyi Taw starting 28 October 2013 (three times a week) and daily after 15 November, 2013. This will be the first scheduled commercial international service, and more airlines are expected to follow suit.
- A *Myanmar Times* Special Report on Investment (7 September, 2013) provides a detailed overview and analysis of the realities of international investments in Myanmar during the first half of 2013. The Report notes the essential attractions – abundant natural resources, location, current wave of interest, and international goodwill. It enumerates fundamental needs – political and economic stability, rule of law, upgrades to infrastructure, education and vocational training systems. The Report goes beyond basics to suggest profound needs for a structural pivot to manufacturing, investment in urban

development, enabling a digital economy, and a move from isolation to connectivity (McKinsey Group – [www.mckinsey.com/insights/asia-pacific/myanmars\\_moment](http://www.mckinsey.com/insights/asia-pacific/myanmars_moment)).

- A small secondary market is emerging to offer shares in an increasing number of public companies' shares through direct solicitation. The *Myanmar Times* examined this trend in its recent Special Report, noting that there is increasing interest in moving forward on establishing a regulated Myanmar Stock Exchange, requiring licenses, brokerages, underwriters and strict international accounting standards and practices. The report notes some of the first "public companies" – FMI, MMID, Golden Myanmar Airlines, and MAPCO which includes the 73-member Myanmar Rice Association with thousands of shareholders, now involved in a Twante rice-mill venture with Mitsui Company of Japan.
- The Ministry of Home Affairs has announced a roll-back of restrictions on many potential tourism sites that previously required permits such as Myitkyina, Loikaw, Mindat and even Mogok. The Ministry of Hotels and Tourism applauds this initiative, and will be working to clarify some initial misunderstandings. In general, the roll-back must be accompanied by the availability of hotel accommodations and adequate transportation. This initiative will be a boon for rural economies, once issues are resolved between public and private sector interests, and could see the advent of eco-tourism, home stays, and agri-tourism similar to Thailand and Laotian models. For further information, see [www.UMTA.org](http://www.UMTA.org).
- For those concerned by an apparent lack of skilled professional, trades or vocational workers, to drive needed changes, there are some signs of the return of overseas Myanmar professionals, who have left careers in the ASEAN nations or the west, in order to return home. Longtime legal or medical professionals who have spent their careers in Myanmar ask for patience, training and understanding as junior staff enter foreign firms. A senior lawyer said, "They are afraid they will make a mistake; you are afraid they won't have the sophistication of their western counterparts ... it is all a process of adaptation, and it will all work with that most Myanmar of virtues ... patience and kindness."
- The Special Report also includes a public commentary page which is candid and optimistic, acknowledging the need for change, and accepts the necessity for collaboration and compromise from all sectors of society.

- Myanmar APEX Bank announces the availability of Point of Sale Terminals accepting both VISA and Mastercard as the first electronic payment solution in ten years, creating a cashless system and more sales.

- Returning overseas resident U Kyaw Kyaw, who ran an airport shuttle bus service in San Francisco for 10 years, has returned to Myanmar to advise the Yangon Airport Shuttle service. YAS commenced Mingaladon/City shuttle services on Sept. 1, and plans expansion to other major Myanmar cities. For further information, see [www.yangonairportshuttle.com](http://www.yangonairportshuttle.com).

# CHARLTONS

**Best Boutique Firm 2013**

Asian Legal Business Awards

---

**This newsletter is for information purposes only.**

Its contents do not constitute legal advice and it should not be regarded as a substitute for detailed advice in individual cases.

Transmission of this information is not intended to create and receipt does not constitute a lawyer-client relationship between Charltons and the user or browser.

Charltons is not responsible for any third party content which can be accessed through the website.

If you do not wish to receive this newsletter please let us know by emailing us at [unsubscribe@charltonslaw.com](mailto:unsubscribe@charltonslaw.com)

---

**Hong Kong Office:**

Dominion Centre  
12th Floor  
43-59 Queen's Road East  
Hong Kong  
**Tel:** + (852) 2905 7888  
**Fax:** + (852) 2854 9596

**Myanmar Office:**

Charltons Legal Consulting Ltd,  
116A Inya Road,  
Yangon, Myanmar  
**email:** [myanmar@charltonslaw.com](mailto:myanmar@charltonslaw.com)

[www.charltonslaw.com](http://www.charltonslaw.com)